STATEMENT OF
COMMISSIONER DEBORAH TAYLOR TATE

Re: *Petition of AT&T Inc. for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of the Commission's ARMIS Reporting Requirements*; *Petition of Qwest Corporation for Forbearance from Enforcement of the Commission's ARMIS and 492A Reporting Requirements Pursuant to 47 U.S.C. § 160(c)*, WC Docket No. 07-139; *Petition of the Embarq Local Operating Companies for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of ARMIS Reporting Requirements*, WC Docket No. 07-204; *Petition of Frontier and Citizens ILECs For Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of the Commission's ARMIS Reporting Requirements*, WC Docket No. 07-204; *Petition of Verizon For Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of the Commission's Recordkeeping and Reporting Requirements*, WC Docket No. 07-273;*Petition of AT&T Inc. For Forbearance Under 47 U.S.C. § 160 From Enforcement of Certain of the Commission's Cost Assignment Rules*, WC Docket No. 07-21;*Service Quality, Customer Satisfaction, Infrastructure and Operating Data Gathering*, WC Docket No. 08-190

An integral part of the pro-competitive, de-regulatory national policy framework established by Congress in the 1996 Act is the section 10 forbearance provision. Today's increasingly competitive telecommunications marketplace, including cross platform competitors like wireless and cable, provide consumers with an array of choices that ensure the consumer protection once deemed necessary through government regulation. When the Commission finds that certain filings are no longer needed to fulfill their consumer protection goals, we should grant relief accordingly. That is the case today, as we grant partial forbearance from carriers' obligation to file certain Automated Reporting Management Information System (ARMIS) "service quality and infrastructure" reports and extend relief from cost assignment rules previously granted to AT&T to Verizon and Qwest.

The ARMIS reports, created in the Commission's *Price Cap Order* nearly two decades ago, were intended to serve as "safety nets" to ensure that incumbent local exchange carriers did not lower quality of customer service to increase short-term profit or fail to invest in infrastructure under the new regulatory framework. With the advent of competition in the telecommunications marketplace the opposite has happened, with industry offering a myriad of options to the consumer, investing approximately $68 billion in the marketplace just last year. The majority of these reports, adopted to monitor whatever "theoretical concern" there may have been, are no longer needed to fulfill their goals of consumer protection.

As a former state commissioner, I appreciate the participation of my state colleagues in this proceeding and have carefully considered their concerns. I highlight the fact that we do not preempt any state authority in this order. We clearly acknowledge and in essence bolster the consumer protection authority of the states to obtain any information from any of these carriers for their own regulatory purposes. States have always taken the lead in protecting the consumer interest and have overarching statutory authority that goes far beyond keeping data reports.

This forbearance is a reasoned approach which both grants and denies forbearance, based on specific circumstances. Thus, we find that there is still a federal need for the collection of switched access line data used by USAC to calculate growth in access lines as part of the formula for determining

interstate access support, and business line count information in the non-impairment thresholds for the Commission's unbundling rules.

As Federal Chairman of the Federal-State Joint Board on Advanced Services, I commend the Chairman for recognizing the importance of maintaining certain data that could be helpful in future policymaking considerations regarding public safety and broadband deployment.

As we all work together toward ensuring that every person in this country has broadband access, from the broadband mapping legislation proposed by Chairmen Inouye and Markey to the proceedings at the FCC, to local and state initiatives such as Connect Tennessee, it is important to ensure that we retain data that will help us achieve those goals. However, I find it inconsistent that in this order that we on one hand grant forbearance relief to a specific class of carriers and on the other hand we potentially open the door to further regulation on a broad, industry-wide basis. Undoubtedly, broadband and public safety are crucial public policy goals that may indeed require more information than is currently collected. But if we are going to impose reporting requirements on carriers involved in our public safety infrastructure and deployment of broadband we need make sure that they are treated fairly and equitably, with the data collection being as minimally burdensome and least duplicative as possible, focusing on the enunciated goals of today, not the legacy requirements of yesterday.

I agree that as competition increases in the marketplace, we should level the playing field whenever possible whether within or across platforms. However, the entire reasoning on which this order is based on -- lifting regulations that are "no longer necessary" -- is not consistent with the potential "expansion" to other providers and platforms. I hope that we will continue to pursue the data necessary for our policy goals where it makes sense, especially utilizing data which may already be provided either to other governmental entities and non-profits (such as Connected Nation), and to encourage industry-based reporting parameters in keeping with our deregulatory policies to encourage investment and deployment of services and more choice for consumers.

In this order we also grant identical cost allocation relief to Verizon and Qwest that we provided to AT&T earlier this year. Like AT&T, these companies are now largely regulated under price caps, and there is no current federal need for the specific cost assignment rules implemented under rate of return regulation. By granting this forbearance, we are leveling the regulatory playing field and ensuring continued competition among these carriers. As a condition of this forbearance, we require Verizon and Qwest to file a compliance plan, as was the case with AT&T, to ensure that the Commission has any accounting data it needs for policymaking purposes moving forward.

While I agree philosophically that we should treat like "classes of carriers" in the same manner, I would have chosen another legal vehicle. Additionally, rather than granting forbearance first and then approving a compliance plan, perhaps it would be more logically sound if the Commission had all the relevant information – including the compliance plan -- prior to making the decision to expand relief. However, in the interest of ensuring that we are enabling competition in the marketplace by reducing the legacy barriers that unfairly burden some carriers and not others, I agree with the outcome, and hope the forthcoming compliance plan will indeed continue to protect consumers in markets and situations where necessary. Ultimately, it is our responsibility to ensure regulatory parity so that "similarly situated" classes of carriers are treated equally under the law.